

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2551

January 15, 2010

SUMMARY OF BILL: Extends the litter control tax on beer and bottled drink products for an additional six years until June 30, 2016, or until June 30, of any other year following the enactment of any state or federal law which imposes mandatory deposits by consumers on beverage containers sold in Tennessee.

ESTIMATED FISCAL IMPACT:

MINIMAL

Assumptions:

- Public Chapter 307 from 1981 was the original law enacted to generate tax revenue to be allocated to the Highway Fund for the purpose of funding litter control programs.
- Since enactment of Public Chapter 307 in 1981, a bill such as this has passed approximately every five years to extend the tax on bottlers and beer needed to sustain funding for the litter control programs in Tennessee.
- Based on information provided by the Department of Transportation, tax revenue transferred to the Highway Fund for the purpose of litter control programs have averaged approximately \$5.4 million per year over the last four fiscal years. Therefore, not passing this legislation would result in tax revenue declines of approximately \$5.4 million per year.
- Passing the legislation would result in a fiscal impact that is considered minimal.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

SB 2551

James W. White, Executive Director

/rnc